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EKF Diagnostics Holdings PLC
19 May 2021

EKF Diagnostics Holdings plc

("EKF", the "Company" or the "Group")

Board Changes and Executive Performance Bonus

Further to the Company's AGM statement announced separately today, EKF Diagnostics Holdings plc (AIM: EKF), the AIM-listed point-of-care business, provides a further update regarding its forthcoming changes to the board of directors of the Company (the "Board") and its planned, final performance related payments to the Company's Chief Executive Officer and Finance Director (the "Executive Directors").

Board changes

Julian Baines, Chief Executive Officer, has notified the Board of his intention to step down from his current position with effect from 1 October 2021. Julian has served the Company in this role since 2009 and the Board is pleased to confirm that he will remain on the Board and become Non-executive Deputy Chairman. In his new role, Julian will focus on delivering further value from the Company's relationship with Mount Sinai Innovation Partners ("MSIP"). In the period to 1 October, Julian will be supporting his successor, Mike Salter, the current head of the Group's US operations, who will assume the role of Chief Executive Officer of EKF from the same date. Further details on Mike Salter's background are included below.

Adam Reynolds, Non-executive Director, has informed the Company that he will not be standing for re-election to the Board at the upcoming AGM and will therefore step down from his position on 19 May 2021. Adam has served on the Board since the Company's inception as EKF in 2009.

Richard Evans, Chief Operating Officer and Finance Director, has notified the Board that he intends to step down from his position at the end of June 2022. Richard will continue in his position and maintain his current responsibilities to assist Mike Salter in his transition to Chief Executive Officer and also to facilitate an orderly handover once the Company has selected a suitably experienced replacement.

Board appointments

The Company is pleased to announce the appointments of David Michael ("Mike") Salter as Chief Executive Officer designate and Christian ("Chris") Alexander Rigg as a Non-executive Director. The appointments of Mike Salter and Chris Rigg are effective from 1 October 2021 and 1 July 2021 respectively.

Mike Salter is the President of EKF Diagnostics' American business where he is

responsible for all USA facilities including sales, operations and Regulatory Affairs, and also has a particular focus on EKF Life Sciences in Elkhart, Indiana. Previously, Mike worked at GE Healthcare where he was General Manager for the Custom Molecular Reagent Business within GE Life Sciences. Mike has over 35 years of experience in the Life Science and Diagnostics Industry, 33 of which were spent with GE and Amersham in a variety of positions in the UK, Canada and USA. Since joining EKF in October 2017, Mike has been responsible for overseeing the growth of EKF's Diabetes and Haematology business in the US and, by leveraging his business network he has secured licensing agreements, built production capacity and secured orders for the COVID-19 sample collection kit business. Mike has been a passionate leader of EKF's US team and has been instrumental in securing many of the Company's largest US contracts and growth opportunities.

Chris Rigg has significant executive experience at both public and private companies. He is currently the Chief Executive Officer of Mandata Holdings Limited and a Non-executive Director of the main market listed Sportech plc. Chris previously held the positions of Chief Financial Officer and latterly Chief Executive Officer at Quantum Pharma plc, which, under his stewardship, was refinanced and implemented a new strategy facilitating growth and leading to its acquisition by Clinigen Group plc for an enterprise value of £160 million.

Chris Rigg is also a chartered accountant and will join the audit committee of the Board.

Christopher Mills, Chairman of EKF, said:

"We are grateful to Julian for his execution as CEO and also pleased that he will continue to serve on the Board to help progress additional opportunities through our relationship with MSIP, which has delivered superior returns to shareholders over and above that delivered by the EKF business itself.

"In Mike Salter we have a very strong successor to step into the CEO role, as he has been pivotal to our success in the US and holds key relationships there and internationally to support the implementation of our growth strategy, 'EKF 2024'.

"Similar thanks must go to Richard Evans for his many years of service alongside Julian, and we are grateful for his time between now and his stepping down next May to ensure continuity, support for the new CEO and his own successor in due course.

"Finally we also thank Adam Reynolds for his contribution since 2009, and look forward to welcoming Chris Rigg in the summer. Chris will make a strong impact given his track record and the strategic, financial and operational skillset he brings.

"Overall this is a very exciting time for EKF and both the growth plan and Board evolution have many merits. We look forward to working together on this next phase of our growth."

Executive performance bonus

Further to the announcement on 10 March 2021, and reflecting the very

considerable value creation for shareholders during the operation of the Incentive (defined below), EKF's Remuneration Committee ("RemCo") has determined that it is appropriate that the Executive Directors receive an equal and final performance-related payment of approximately £2 million each (the "Bonus").

The Company currently operates a cash-settled, share based incentive (the "Incentive") for the Company's Executive Directors, which is designed to pay out in the event that the Company is acquired by a third party (an "Exit"). In the absence of any other performance-related pay mechanism, the Board has decided to substitute value creation for an Exit as the relevant trigger for this final payment. The Bonus represents a 17.6 pence increase over the baseline share price as reset in March 2021 to 33.4 pence, meaning that the Incentive will have paid out value up to a theoretical 'Exit' price of 51.0p.

The total performance in EKF's share price since the inception of the Incentive (on 2 June 2016) represents a gain of 56.45 pence per share, and the further value created from the MSIP relationship is equivalent to 54.85 pence per EKF share¹, as disclosed in the AGM Statement issued today. The total payments made under the Incentive arrangement to the Executive Directors (including the Bonus described in this announcement) represents a modest 1.88 pence per EKF share, based on the current shares in issue, or less than 2 per cent. of the total value created.

Following payment of the Bonus, RemCo intends to terminate the Incentive arrangement and put in place a new remuneration scheme to incentivise Mike Salter and others. Details of the new incentive arrangements will be disclosed in due course.

As at 31 December 2020, the Company had net cash of approximately £21.4 million. The Company holds 1,002,981 shares in Renalytix AI plc securities which had a fair value of approximately £10.38 million, based on the closing mid-market price on the same date. In addition, EKF holds 2,677,981 shares in Verici Dx plc. The Company therefore remains very well capitalised to execute its plans and continues to generate strong operating and net cashflows.

Related party transaction

The Bonus is considered to represent a related party transaction under the AIM Rules for Companies. The Non-executive Directors, having consulted with N+1 Singer as the Company's nominated adviser, consider the terms of the Bonus to be fair and reasonable in so far as shareholders are concerned.

1) Assuming an investor held their EKF shares throughout the relevant period and their original RENX distribution shares in order to receive the full entitlement to VRCI shares, and uses the EKF investment cost price for valuing TRLS.

N+1 Singer

Aubrey Powell / George Tzimas / Tom Salvesen

Tel: 020 7496 3000

Walbrook PR Limited

Paul McManus / Lianne Cawthorne

Tel: +44 (0) 20 7933 8780 or ekf@walbrookpr.com

Mob: +44 (0) 7980 541 893 / +44 (0) 7584 391 303

About EKF Diagnostics Holdings plc (www.ekfdiagnostics.com)

EKF is a leading point-of-care diagnostics and central laboratory assay manufacturer with an estimated 80,000 hemoglobin, hematocrit, HbA1c, glucose and lactate analysers in regular use across more than 100 countries. EKF specialises in developing tests for use in anemia and diabetes diagnosis and management, as well as providing a portfolio of reagents for use in clinical chemistry analysers.

EKF specialises in the development, production and worldwide distribution of point-of-care analyzers and clinical chemistry reagents for use in hospital and research laboratories, doctor's offices, blood banks and for in-field anaemia screening programmes. EKF is also a bulk manufacturer of enzymes and has custom manufacturing facilities in the USA for a variety of life science products.

Additional Disclosures Required under the AIM Rules for Companies

Mike Salter

David Michael Salter (aged 59) has held the following directorship or partnerships in the past five years:

Current directorships and partnerships:

Trellus Health Limited
EKF Diagnostics Inc. (Delaware)
EKF Diagnostics Inc. (Florida)
EKF Diagnostics Inc. (Texas)
EKF Diagnostics Inc. (Louisiana)

Previous directorships and partnerships held in the past five years:

None]

Mike Salter currently holds 125,000 ordinary shares in the Company.

Chris Rigg

Christian Alexander Rigg (aged 46) has held the following directorship or partnerships in the past five years:

Current directorships and partnerships:

Sportech PLC*
Mandata holdings Limited
Mandata Group Limited
Mandata (Management and data services) Limited
Branall Limited
Stirling Solutions Limited
Stirling Maintenance Services Limited
DS Spring TOPCO Limited
Mandata Network Limited

* As announced separately today Chris Rigg will step down from his role as a non-executive director of Sportech PLC with effect from the end of May, 2021

Previous directorships and partnerships held in the past five years:

Quantum Pharma Group Limited
Quantum Pharmaceutical Limited
Nupharm Group Limited
Nupharm Laboratories Limited
Quantum Pharma Holdings Limited
Quantum Pharma 2014 Limited
Quantum Specials Limited
Quantum Specials Trustees Limited
Clinigen Group PLC
Lamda Pharma Limited
U L Medicines Limited
Colonis Pharma Limited
Pern Consumer Products Limited
Protomed Limited
Lamda (UK) Limited
Pharmacy Prime Limited
Protohealth Limited
Fairstone Capital Investment Limited
Fairstone Group Limited
Fairstone Holdings Limited
Ridge Pharma Limited
Redcentric PLC
Fairstone Mortgage Solutions Limited
Fairstone Private Wealth Limited
Fairstone Financial Management Limited
Fairstone Financial Management Limited
Healthnet Homecare (UK) Limited

Chris Rigg does not hold any ordinary shares in the Company.

Chris Rigg was a director of Nupharm Laboratories Limited, which went into administration 27 April 2017. Following his resignation, Nupharm Laboratories subsequently entered into liquidation on 9 May 2018.

Save as disclosed above, there is no further information to be disclosed in respect of the above appointments pursuant to Rule 17 and Schedule 2 paragraph (g) of the

AIM Rules for Companies.

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